

Dear Mr Erik Hagen,

[...]

We refer to your email pertaining to the Greenpeace report and specifically your 4 questions.

We have responded to the Greenpeace report in 2008. This can be seen on the following link:

<http://www.unitedplantations.com/UP's%20%20Response%20to%20Greenpeace.pdf>

Nevertheless please find herewith our reply to your questions.

*** According to the Greenpeace document, a UNEP report from 2004 classified parts of the concession as "potential orangutan habitat". Are those forest areas now converted into palm oil plantations?**

1) UP has not converted any habitat with confirmed presence of orangutans. UP acknowledges that Greenpeace(GP) disputed this fact in their report but considers this part of GP's criticism a deliberate misinterpretation and misuse of data. The Greenpeace report was a crude summary of a UNEP report that was a summary of the original orangutan Population and Habitat Viability Analysis (PHVA) published by the IUCN Captive Breeding Specialist Group in 2004 (see section 3.2.3 pp 190 for discussion on Central Kalimantan). Based on the PHVA exercise the lead author Dr. Meijard produced an approximate "map" of orangutan distribution as well as potential orangutan sites but this was not published in the final PHVA-publication because it was a desk exercise primarily aimed at gaining overview of mega and sub-populations of OUs on Borneo rather than being accurate. Furthermore, this map was based on 2002-surveys and 2003-2004 PHVA assumptions that were, in turn, based on 2002 landuse maps. Unfortunately, the result of this was that some areas were deemed "potential OU habitat" and/or "existing OU populations" even if the habitat had already been cleared! This is also evident if the Dr. Meijard's map is overlaid with the 2005 landuse map developed by TROPENBOS, which is – to date – the most accurate map of Borneo. Some potential OU habitats are situated in the middle of padi-fields and villages.

Unfortunately, Dr. Meijard's map, being only indicative for general use, has been misused and taken out of context in contemporary scenarios (among others in the GP 2008 report) despite using outdated OU survey data as well as outdated landuse maps. UP is confident that GP was well aware of these facts when writing their critical report in which UP was blamed for clearing "potential OU habitat" in certain areas. This never occurred. One such area deemed "potential OU habitat" was Lada estate that was "forested" according to the 2002 landuse map. When UP acquired this property in 2006 there was no forest apart from small pockets of mangrove forest. A HCV-assessment undertaken prior to plantation development confirmed this and so will an overlay of the estate with TROPENBOS 2005 forestcover map. UP has followed the Indonesian legislation and RSPO P&C requirements by setting aside these mangrove areas as well as the stipulated 50-100m of riparian reserves.

The second area mentioned in the GP report relates to Runtu estate. There are two areas of Runtu marked on Dr. Meijard's map as "potential OU habitat" i.e. the southern part of the northblock and a south part of the southern block. The HCV assessment did not record any

presence of OU in any of Runtu. However, the Southern part of the northblock consists of special wetland areas, which UP has voluntarily set aside for conservation purposes. The southpart of the southern block has already been set aside as recommended in the HCV-assessment despite the fact that the HCV-team never recorded any OU presence.

*** I see in some reports that UP states the size of the forest areas that are preserved. But turning it around: how many hectares of primary or High Value forest have UP cleared?**

2) UP has neither cleared any primary forest nor any forest identified as HCV.

We have from the start commissioned HCV studies to be done, probably amongst the first companies in Indonesia.

In reality, most of the property bought by UP has been logged several times in the past (see the OU PHVA and the 2002, 2005 landuse and forest cover maps).

Large part of it was grassland or badly degraded habitat with small trees or scrubs left. Whilst primary forest was almost non-existent, parts of it is still deemed HCV and has been set aside as recommended in the HCV-assessments.

Additional areas to the in the HCV-assessment identified land have voluntarily been set aside to improve the conservation value of certain areas e.g. maintain corridor effect, "island refuges" etc.

In total it accounts for 65% of the secondary forest found on the area UP acquired, or significantly more than what was recommended in the HCV-assessments.

In addition we await the studies on the recent proposals for the New Planting Procedures (NPP) under the RSPO which will enable companies to highlight planting intentions and to be open about their development plans.

*** The report refers to a land conflict with small scale farmer, that were jailed for protesting, and that their land was converted during their detention. Is this correct? What is your comment to that?**

3)The farmer was jailed due to assault on another person. He was not jailed for protesting. He was jailed for slicing another person on the head. The specific case raised by Greenpeace pertaining to land conflict was of criminal offence involving assault and falsification of the land ownership documents. These were referred to the Indonesian police and the due process of law has taken its course.

Under the free prior informed consent protests are welcome and is something that takes place all over Indonesia. Please see our rebuttal to the Greenpeace report for more detail.

We subscribe to the free prior informed consent policy under the RSPO and have been working diligently to solve all issues there may be. Today, we have transacted many thousand land deals with the local farmers . We understand the importance to have partnerships with the local community and hence have a good relationship with the communities we are a part of. In this connection it is important to mention that there are a number of cases where individual farmers have not wished to sell their land and they now still have their land in the middle of our plantation areas.

If you are interested we can invite you for our next stakeholder consultation.

*** What is your comment to the claim from Greenpeace that: "The results of the Greenpeace study demonstrate that United Plantations does not comply with any of the RSPO standards for partial certification that we investigated. The results show clearly that United Plantation may have their RSPO certification of Malaysian plantations but continue with business as usual in their Indonesian concessions."**

UP disagrees with Greenpeace's statement from 2008. United Plantations does comply with the RSPO standards for partial certification.

I would kindly refer you to our Rebuttal as well as the above answers.

It is ultimately the RSPO and the RSPO accredited certifiers that determines whether a Company lives up to the principles and criteria of the RSPO and not United Plantations or Greenpeace.

Thank you.

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